

COVENANT FINANCIAL CORPORATION

	CPP Disbursement Date 06/05/2009	RSSD (Holding Company) 3212046	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$247	\$231	-6.6%		
Loans	\$171	\$159	-6.8%		
Construction & development	\$15	\$11	-27.8%		
Closed-end 1-4 family residential	\$30	\$32	7.3%		
Home equity	\$3	\$3	-8.1%		
Credit card	\$0	\$0			
Other consumer	\$8	\$5	-43.2%		
Commercial & Industrial	\$29	\$30	3.5%		
Commercial real estate	\$60	\$53	-11.4%		
Unused commitments	\$16	\$20	21.7%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$5	\$7	28.2%		
Asset-backed securities	\$0	\$0			
Other securities	\$26	\$30	17.0%		
Cash & balances due	\$21	\$14	-33.6%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$224	\$208	-7.1%		
Deposits	\$192	\$184	-4.5%		
Total other borrowings	\$30	\$23	-25.1%		
FHLB advances	\$23	\$12	-47.0%		
Equity					
Equity capital at quarter end	\$22	\$22	-0.6%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$2	NA		
Performance Ratios					
Tier 1 leverage ratio	8.8%	8.6%	--		
Tier 1 risk based capital ratio	10.7%	11.5%	--		
Total risk based capital ratio	11.9%	12.8%	--		
Return on equity ¹	-2.5%	-26.5%	--		
Return on assets ¹	-0.2%	-2.6%	--		
Net interest margin ¹	3.7%	3.3%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	62.4%	59.1%	--		
Loss provision to net charge-offs (qtr)	102.8%	97.4%	--		
Net charge-offs to average loans and leases ¹	0.9%	2.0%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	0.0%	0.1%	0.0%	0.0%	--
Closed-end 1-4 family residential	1.0%	5.1%	0.6%	1.6%	--
Home equity	2.7%	2.8%	0.0%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.5%	0.2%	0.7%	0.3%	--
Commercial & Industrial	0.1%	0.1%	0.1%	0.6%	--
Commercial real estate	5.4%	3.8%	0.1%	0.1%	--
Total loans	2.2%	2.5%	0.3%	0.6%	--